

*Administration of Ronald Reagan, 1982 / Nov. 1*

will be better served by those who are quick to criticize but offer no real alternative, or by those who share our basic values and who will stick to the task before us—making government live within its means and making your future a future of opportunity and prosperity again.

Think about it, my fellow Americans. Can big spenders like the ones who got us into this tragic situation now be trusted to lead us out of it? I believe you know the answer. And I'm counting on you to cast your votes for hope, not despair; for responsible men and women who are pledged to help us, not hinder us on the road to recovery.

Thank you, and God bless you.

*Note: The President's message was taped at the White House on October 26. Time for broadcast of the message on regional television stations and the networks was purchased by the Republican National Committee. The message was aired on Saturday and Sunday, October 30 and 31, and Monday, November 1. The transcript was released by the Office of the Press Secretary on October 31.*

#### **United States Ambassador to Ecuador**

*Nomination of Samuel Friedlander Hart.  
November 1, 1982*

The President today announced his intention to nominate Samuel Friedlander Hart, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador to Ecuador. He would succeed Raymond E. Gonzalez.

Mr. Hart served in the United States Army as a first lieutenant in 1955–1957. He entered the Foreign Service in 1958 and was political and economic officer in Montevideo in 1959–1961. In 1961–1962, he attended Indonesian language training at the Foreign Service Institute. He was economic officer in Jakarta (1962–1964) and Consular and political officer in Kuala Lumpur (1964–1966). In the Department, he was foreign affairs officer, then international economist in the Bureau of Economic and Business Affairs in 1966–1968. In 1968–

1969, he attended Vanderbilt University. He was economic and commercial officer in San Jose (1969–1971) and counselor for economic and commercial affairs in Santiago (1971–1975). He was Deputy Director of the Office of Economic Research and Analysis in the Bureau of Intelligence and Research in the Department in 1975–1977. In 1977–1980, he was counselor for economic and commercial affairs in Tel Aviv. Since 1980 he has been Director of the Office of Andean Affairs in the Department.

Mr. Hart graduated from the University of Mississippi (B.A., 1955), the Fletcher School of Law and Diplomacy (M.A., 1958), and Vanderbilt University (M.A., 1969). His foreign language is Spanish. He was born September 13, 1933, in Canton, Miss.

#### **Declaration of National Emergency With Respect to Iran**

*Message to the Congress Reporting on  
Recent Developments. November 1, 1982*

*To the Congress of the United States:*

Pursuant to Section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. Section 1703(c), I hereby report to the Congress with respect to developments between my last report of May 6 and mid-October 1982, concerning the national emergency with respect to Iran that was declared in Executive Order No. 12170 of November 14, 1979.

1. The Iran-United States Claims Tribunal established at the Hague pursuant to the Claims Settlement Agreement of January 19, 1981, is now actively engaged in the process of arbitrating the several thousand claims filed before it by the January 19, 1982 deadline. Although it has only recently begun to schedule significant numbers of prehearing conferences and hearings on the merits, the Tribunal has rendered decisions on twelve claims of U.S. nationals against Iran. Eight of those decisions approved settlements reached by the parties directly concerned; two more represented adjudications in favor of the U.S. claimants. The remaining two resulted in the dismissal of

*Nov. 1 / Administration of Ronald Reagan, 1982*

claims for lack of jurisdiction. In total, the Tribunal has made awards of more than \$7.6 million in favor of U.S. claimants. The Department of State, with the assistance of the Departments of the Treasury and Justice and other concerned government agencies, continues to coordinate the presentation of U.S. claims against Iran as well as the U.S. response to claims brought by Iran, and also assists U.S. nationals in the presentation of their claims against Iran.

2. The Tribunal rendered its decision on the four issues concerning the \$1 billion security account held by the N.V. Settlement Bank of the Netherlands to pay Tribunal awards against Iran. As indicated in the last report, those issues, which had not been resolved in the negotiations leading to the establishment of the security account in August 1981, involved (1) the disposition of the interest accruing on the funds in the account; (2) indemnification of the Settlement Bank and its parent, the Netherlands Central Bank, against any claims relating to the management of the security account; (3) payment of the administrative fees of the Settlement Bank; and (4) payment of settlements reached directly between U.S. claimants and Iran.

The Tribunal decided the last question first, ruling on May 14 that such settlements may be paid from the security account if the Tribunal determines that it has jurisdiction over the underlying claims and accepts the terms of the settlement agreements as the basis for rendering an award on agreed terms.

The decision on the other three issues was rendered August 3, 1982. The Tribunal decided that interest earned on the security account should continue to be credited to a separate suspense account established pursuant to the interim arrangements under which the security account had been managed since it was established. The Tribunal further decided that any such interest may be used by Iran to fulfill its obligation to replenish the security account whenever the payment of awards causes the balance to fall below \$500 million. The decision thus prevents the diversion of the interest to any purpose other than payment of awards in favor of U.S. claimants, without the agreement of both the United States and Iran,

until all claims are decided and all awards paid.

On the questions of management fees and indemnification, the Tribunal decided that fee payments should be shared equally by the two Governments and that indemnification should be joint and several, leaving open until an actual case arises the question of how ultimate responsibility for indemnification should be allocated between the United States and Iran.

3. The January 19, 1981 agreements with Iran also provided for direct negotiations between U.S. banks and Bank Markazi Iran concerning the repayment of non-syndicated loans and disputed interest from the \$1.418 billion escrow account presently held by the Bank of England. The U.S. banks and Bank Markazi Iran continue to negotiate concerning payments out of this account.

4. Since my last semiannual report submitted to the Congress in May, there have been no transfers of assets to Iran by or through the U.S. Government under the January 19, 1981, agreements with Iran. However, I attach herewith five excerpts from the *Federal Register* that deal with the Iranian Assets Control Regulations. The first, published on May 24, 1982, is a requirement that holders of tangible property in which Iran had or asserted any interest report on such property to the Office of Foreign Assets Control. The purpose was to obtain information for use in promoting the resolution of disputes with Iran, preparing submissions for the Iran-United States Claims Tribunal, and formulating policies to deal with the tangible properties. The second, published on June 8, 1982, contains additional information with respect to the tangible property reports. The third was published on June 10, 1982. It is a directive license to the New York Federal Reserve Bank to deduct two percent of award amounts it receives from the security account for payment to U.S. claimants who have received awards from the Iran-United States Claims Tribunal. That two percent is for deposit in the U.S. Treasury to reimburse the U.S. Government for costs incurred for the benefit of U.S. nationals with claims against Iran. On September 14, 1982, the Administration submitted to the Con-

*Administration of Ronald Reagan, 1982 / Nov. 2*

gress a bill that deals with this deduction and also gives authority to the Foreign Claims Settlement Commission of the United States to receive and determine the validity and amounts of certain claims of U.S. nationals against Iran. Also, the bill authorizes the Secretary of the Treasury to reimburse the Federal Reserve Bank of New York for expenses incurred by the Bank in the performance of fiscal agency agreements relating to the settlement or arbitration of claims pursuant to the January 1981 agreements with Iran. The fourth *Federal Register* item revoked any authorizations for the permanent disposition, by means of a final judicial judgment or order, of interests of Iran in any standby letter of credit or similar instrument. The purpose was to preserve the status quo to permit resolution of claims involving those interests through either the Claims Tribunal or negotiations with Iran. Iran has filed more than 200 such claims with the Tribunal, and U.S. nationals also have filed a large number of claims concerning the same issues or related undertakings. U.S. account parties are still able to prevent payments to Iran by obtaining preliminary injunctions or other temporary relief, short of final dispositions, or by using procedures set forth in the Iranian Assets Control Regulations. Finally, on July 22, 1982, the Office of Foreign Assets Control published a new provision of the Iranian Assets Control Regulations that sets forth a licensing procedure for the sale and disposition of tangible property that is currently blocked because of an interest of Iran in the property. The purpose is to conserve the value of the assets and to permit the satisfaction of certain claims against the property. Licenses for such sales may be issued after a case-by-case review of license applications.

5. Several financial and diplomatic aspects of the crisis with Iran have not yet been resolved and continue to present an unusual challenge to the national security and foreign policy of the United States. By separate action, I am extending the emergency with respect to Iran beyond the November 14, 1982 anniversary. I shall continue to exercise the powers at my disposal to deal with these problems and will continue

to report periodically to the Congress on significant developments.

**Ronald Reagan**

The White House,  
November 1, 1982

*Note: The attachments transmitted with the report, and included in the White House press release, are printed in the following issues of the Federal Register: Monday, May 24, 1982 (vol. 47, no. 100, p. 22361), Wednesday, June 9, 1982 (vol. 47, no. 111, p. 25003), Thursday, June 10, 1982 (vol. 47, no. 112, p. 25243), Wednesday, July 7, 1982 (vol. 47, no. 130, p. 29528), and Thursday, July 22, 1982 (vol. 47, no. 141, p. 31682).*

### **National Diabetes Month, 1982**

*Proclamation 4994. November 2, 1982*

*By the President of the United States  
of America*

#### **A Proclamation**

Diabetes is a complex disorder in which the body is unable to convert sugars and starches properly into the energy necessary for daily activity. As a major public health problem, diabetes can result in certain long-term complications that may involve virtually every tissue of the body, particularly the blood vessels, nervous system, kidneys and eyes. At present, there is no cure for this chronic disorder that now affects an estimated 11 million Americans.

In recent years, research has yielded promising new information on the possible causes and improved management of diabetes and its complications. This research has provided significant advances ranging from a better understanding of factors that cause or contribute to the disease to the development of laser therapy for eyes damaged by diabetes. There still exists a great opportunity for medical science to reduce human suffering and improve the lives of diabetic patients.

In cooperation with private voluntary organizations, the Federal government is actively participating in this ongoing scientific challenge. Through the combined efforts of government, university, and private re-